

House File 2549 - Reprinted

HOUSE FILE 2549

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 2137)

(SUCCESSOR TO HSB 537)

(As Amended and Passed by the House March 15, 2022)

A BILL FOR

- 1 An Act relating to the establishment of a mental health
- 2 practitioner loan repayment program, and providing an
- 3 appropriation.
- 4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. NEW SECTION. 261.117 Mental health practitioner
2 loan repayment program — trust fund — appropriation.

3 1. *Program established.* The commission shall establish
4 a mental health practitioner loan repayment program for
5 the purposes of providing loan repayments for mental health
6 practitioners who agree to practice in service commitment areas
7 for at least five years and who meet the requirements of this
8 section.

9 2. *Eligibility.* An individual is eligible to apply to enter
10 into a program agreement with the commission if the individual
11 is enrolled full-time in a curriculum leading to employment as
12 a mental health practitioner. A recipient of a loan repayment
13 award under section 261.113, 261.114, 261.115, or 261.116 shall
14 not be eligible for a loan repayment award under this chapter.

15 3. *Program agreements.* A program agreement shall be
16 entered into by an eligible student and the commission when the
17 eligible student begins the final year of study in an academic
18 program leading to eligibility for employment as a mental
19 health practitioner. Under the agreement, to receive loan
20 repayments pursuant to subsection 5, an eligible student shall
21 agree to and shall fulfill all of the following requirements:

22 a. Receive a graduate-level credential qualifying the
23 credential recipient for employment as a mental health
24 practitioner.

25 b. Receive a license to practice in this state.

26 c. Within nine months of meeting the requirements of a
27 mental health practitioner, engage in full-time practice as
28 a mental health practitioner for a period of five years in a
29 service commitment area.

30 d. During the five-year period of full-time practice, be
31 enrolled as an actively participating Medicaid provider.

32 4. *Priorities in making awards.* In making awards under this
33 section, the commission shall give priority to:

34 a. Eligible students who are residents of Iowa upon
35 enrolling in a university and who agree to practice in a

1 service commitment area located in a mental health professional
2 shortage area.

3 *b.* Service commitment areas that are located in mental
4 health professional shortage areas.

5 5. *Loan repayment amounts.*

6 *a.* The amount of loan repayment an eligible student who
7 enters into an agreement pursuant to subsection 3 shall receive
8 if in compliance with obligations under the agreement shall be
9 as follows:

10 (1) For a psychiatrist, forty thousand dollars annually
11 with a maximum of two hundred thousand dollars for an eligible
12 loan, not to exceed the total loan amount.

13 (2) For a psychologist or a mental health professional,
14 eight thousand dollars annually with a maximum of forty
15 thousand dollars for an eligible loan, not to exceed the total
16 loan amount.

17 (3) For a physician assistant practicing under the
18 supervision of a psychiatrist, or for a psychiatric advanced
19 registered nurse practitioner, ten thousand dollars annually
20 with a maximum of fifty thousand dollars, not to exceed the
21 total loan amount.

22 *b.* If the total amount of the eligible student's loan
23 upon graduation is less than the maximum amount specified,
24 the commission shall divide the total amount of the eligible
25 student's eligible loan by five to determine the annual amount
26 of loan repayment the loan recipient is eligible to receive.

27 *c.* Payments under this section may be made for each year of
28 eligible practice during a period of five consecutive years.

29 6. *Refinanced loans.* A loan repayment recipient who
30 refinances an eligible loan by obtaining a private educational
31 loan may continue to receive loan repayment under this section
32 if the amount of loan repayment does not exceed the lesser of
33 the amount specified in subsection 5 or the balance of the loan
34 repayment amount the loan repayment recipient qualified to
35 receive with the eligible loan.

1 7. *Program agreement limitation.* The commission shall by
2 rule determine the number of agreements entered into annually
3 based upon the funding available.

4 8. *Selection of service commitment area.* A loan repayment
5 recipient shall notify the commission of the recipient's
6 service commitment area prior to beginning practice in the area
7 in accordance with subsection 3, paragraph "c". Priority shall
8 be given to recipients who select service commitment areas
9 located in mental health professional shortage areas. The
10 commission may waive the requirement that the loan repayment
11 recipient practice in the same service commitment area for all
12 five years.

13 9. *Rules for additional loan repayment.* The commission
14 shall adopt rules to provide, in addition to loan repayment
15 provided to eligible students pursuant to this section and
16 subject to the availability of surplus funds, loan repayment to
17 a psychiatrist, a psychologist, a mental health professional,
18 a physician assistant practicing under the supervision of
19 a psychiatrist, or a psychiatric advanced registered nurse
20 practitioner, who, as provided in subsection 3, received a
21 degree from a university, obtained a license to practice
22 in this state, and is engaged in full-time practice in the
23 respective profession in a service commitment area.

24 10. *Part-time practice — agreement amended.* A person who
25 entered into an agreement pursuant to subsection 3 may apply
26 to the commission to amend the agreement to allow the person
27 to engage in less than the full-time practice specified in the
28 agreement and under subsection 3, paragraph "c". The commission
29 and the person may consent to amend the agreement under which
30 the person shall engage in less than full-time practice in a
31 service commitment area for an extended period of part-time
32 practice determined by the commission to be proportional to
33 the amount of full-time practice remaining under the original
34 agreement. For purposes of this subsection, "*less than*
35 *the full-time practice*" means at least seventy percent of a

1 forty-hour workweek.

2 11. *Postponement and satisfaction of service obligation.*

3 a. The obligation to engage in practice in accordance with
4 subsection 3 shall be postponed for the following purposes:

5 (1) Active duty status in the armed forces, the armed forces
6 military reserve, or the national guard.

7 (2) Service in volunteers in service to America.

8 (3) Service in the federal peace corps.

9 (4) A period of service commitment to the United States
10 public health service commissioned corps.

11 (5) A period of religious missionary work conducted by an
12 organization exempt from federal income taxation pursuant to
13 section 501(c)(3) of the Internal Revenue Code.

14 (6) Any period of temporary medical incapacity during which
15 the person obligated is unable, due to a medical condition, to
16 engage in full-time practice as required under subsection 3,
17 paragraph "c".

18 b. Except for a postponement under paragraph "a",
19 subparagraph (6), an obligation to engage in practice under an
20 agreement entered into pursuant to subsection 3 shall not be
21 postponed for more than two years from the time the full-time
22 practice was to have commenced under the agreement.

23 c. An obligation to engage in full-time practice under
24 an agreement entered into pursuant to subsection 3 shall be
25 considered satisfied when any of the following conditions are
26 met:

27 (1) The terms of the agreement are completed.

28 (2) The person who entered into the agreement dies.

29 (3) The person who entered into the agreement, due to a
30 permanent disability, is unable to practice as a mental health
31 practitioner.

32 d. If a loan repayment recipient fails to fulfill
33 the obligation to engage in practice in accordance with
34 subsection 3, the recipient shall be subject to repayment to
35 the commission of the loan amount plus interest as specified

1 by rule. A loan repayment recipient who fails to meet the
2 requirements of the obligation to engage in practice in
3 accordance with subsection 3 may also be subject to repayment
4 of moneys advanced by the service commitment area as provided
5 in any agreement with the service commitment area.

6 12. *Trust fund established.* A mental health practitioner
7 loan repayment program trust fund is created in the state
8 treasury as a separate fund under the control of the
9 commission. The commission shall remit all repayments made
10 pursuant to this section to the trust fund. All moneys
11 deposited or paid into the trust fund are appropriated and
12 made available to the commission to be used for meeting the
13 requirements of this section. Moneys in the trust fund up
14 to the total amount that an eligible student may receive
15 for an eligible loan in accordance with this section and
16 upon fulfilling the requirements of subsection 3, shall be
17 considered encumbered for the duration of the agreement entered
18 into pursuant to subsection 3. Notwithstanding section 8.33,
19 any balance in the trust fund on June 30 of each fiscal year
20 shall not revert to the general fund of the state, but shall
21 be available for purposes of this section in subsequent fiscal
22 years.

23 13. *Report.* The commission shall submit in a report to
24 the general assembly by January 1, annually, the number of
25 individuals who received loan repayment pursuant to this
26 section, where the participants practiced, the amount paid to
27 each program participant, and other information identified by
28 the commission as indicators of outcomes of the program.

29 14. *Rules.* The commission shall adopt rules pursuant to
30 chapter 17A to administer this section.

31 15. *Definitions.* For purposes of this section:

32 a. *"Advanced registered nurse practitioner"* means a person
33 licensed as a registered nurse under chapter 152 or 152E who
34 is licensed by the board of nursing as an advanced registered
35 nurse practitioner.

1 *b. "Eligible loan"* means the recipient's total federally
2 guaranteed Stafford loan amount under the federal family
3 education loan program or the federal direct loan program, the
4 recipient's federal grad plus loans, or the recipient's federal
5 Perkins loan, including principal and interest.

6 *c. "Mental health practitioner"* means a psychiatrist,
7 a psychologist, a mental health professional, a physician
8 assistant practicing under the supervision of a psychiatrist,
9 or a psychiatric advanced registered nurse practitioner.

10 *d. "Mental health professional"* means an individual who
11 meets all of the following qualifications:

12 (1) The individual holds at least a master's degree in
13 a mental health field, including psychology, counseling and
14 guidance, social work, marriage and family therapy, or mental
15 health counseling.

16 (2) The individual holds a current Iowa license if
17 practicing in a field covered by an Iowa licensure law.

18 (3) The individual has at least two years of post-degree
19 clinical experience, supervised by another individual in the
20 mental health field, in assessing mental health needs and
21 problems and in providing appropriate mental health services.

22 *e. "Mental health professional shortage area"* means a mental
23 health health professional shortage area designated by the
24 health resources and services administration of the United
25 States department of health and human services.

26 *f. "Psychiatric advanced registered nurse practitioner"*
27 means an individual currently licensed as a registered nurse
28 under chapter 152 or 152E who holds a national certification in
29 psychiatric mental health care and who is licensed by the board
30 of nursing as an advanced registered nurse practitioner.

31 *g. "Service commitment area"* means a city in Iowa that
32 provides the following contribution amounts for deposit in the
33 mental health practitioner loan repayment trust fund for each
34 loan recipient in the community who is participating in the
35 loan repayment program:

1 (1) For a psychiatrist, twenty thousand dollars.

2 (2) For a psychologist or a mental health professional, four
3 thousand dollars.

4 (3) For a physician assistant practicing under the
5 supervision of a psychiatrist, or for a psychiatric advanced
6 registered nurse practitioner, five thousand dollars.

7 Sec. 2. MENTAL HEALTH PRACTITIONER LOAN REPAYMENT PROGRAM
8 TRUST FUND — APPROPRIATION. There is appropriated from the
9 general fund of the state to the college student aid commission
10 for the fiscal year beginning July 1, 2022, and ending June
11 30, 2023, the following amounts, or so much thereof as is
12 necessary, to be used for the purposes designated:

13 For deposit in the mental health practitioner loan repayment
14 program trust fund established pursuant to section 261.117, to
15 be used for the purposes of the program:

16 \$ 1,500,000